



HF 2280 – Commercial Animal Establishments (LSB 6171HV)
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Fiscal Note Version – New

Description

House File 2280 changes the regulation of nonagricultural animals by the Department of Agriculture and Land Stewardship (DALs). This includes new definitions, fees, and penalties.

Background

Correctional and Fiscal Information

- The Care of Animals in Commercial Enterprises Study Committee met on September 29, 2009, and heard testimony on the regulation of nonagricultural animals in Iowa. The Department testified that they employ five inspectors that completed more than 2,400 inspections in FY 2009. This included more than 1,500 in the animal care/commercial animal sector and more than 800 livestock animal inspections.
- The Bill changes the fee structure and includes:
 - Certificate of Registration—annual fee of \$75 for an animal pound, animal shelter, or research facility.
 - State license—annual fee of \$175 for a boarding kennel, commercial kennel, or a pet shop.
 - State license or permit—annual fee of \$175 for a commercial breeder or public auction.
 - Requires a federal licensee to obtain a State license or permit.
 - Requires a person owning more than one commercial establishment to obtain a separate State license, certificate of registration, or permit, for each establishment.
 - Specifies fees are collected and maintained by the Department for administration of the Program.
 - Details the standard of care to include adequate feed, water, housing, sanitary control, and grooming practices for the animals and specifies required veterinary care requirements.
- Specifies that a research facility, pet shop, boarding kennel, commercial kennel, dealer, commercial breeder, or public auction cannot purchase a dog or cat from a commercial establishment that is not authorized by the Department.
- Outlines the conditions that allow the Department to inspect a commercial establishment and details the disciplinary actions that include:
 - An establishment can have their authorization revoked for violations under Code Section 717B, related to cruelty of nonagricultural animals or Code Section 714.16, consumer fraud. Also specifies that an owner may be required to complete a continuing education program that is administered by the Department.
 - Establishes civil penalties that will be deposited in the General Fund.
 - Details criminal penalties that include:
 - A person operating but not authorized for a commercial establishment is guilty of a simple misdemeanor and each day not authorized is a separate offense.
 - A person not meeting the standard of care is guilty of a simple misdemeanor.
 - A person not meeting legal requirements can have their authorization suspended or revoked.

- Allows animals to be euthanized as provided by Department rules.
- Specifies a dealer cannot knowingly ship a diseased animal.
- Requires a licensed veterinarian treating an animal not meeting the standard of care to submit a Threatened Animal Report to the Department and lists reasons or exemptions for not filing a report. The report can also be forwarded to local authorities where the animal is kept.
- The Department can record a veterinarian that fails to file a Threatened Animal Report and a veterinarian can be guilty of a simple misdemeanor.

Assumptions

Correctional and Fiscal Information

- In the past four years, there have been two convictions under Code Section 162.13 related to commercial animal establishments. During FY 2009, there were two convictions for animal torture.
- The average State cost for one simple misdemeanor conviction ranges from \$26 (court costs) to \$326 (court costs and indigent defense).
- The Department reported there are 297 State-licensed dealers and 452 federally-licensed dealers. The following table summarizes the estimated revenue from this bill:

Proposed Fee Revenue			
Certificate of Registration Establishment	Fee	Number	Revenue
Pounds	\$ 75	149	\$ 11,175
Private Pound	\$ 75	15	1,125
Animal Shelters	\$ 75	78	5,850
Research Facilities	\$ 75	26	1,950
Total Certificate of Registration Fees			\$ 20,100
State License or Permit Establishment	Fee	Number	Revenue
State Licensed Commercial Breeder or Dealer	\$ 175	297	\$ 51,975
Federal Licensed Commercial Breeder or Dealer	\$ 175	452	\$ 79,100
Exhibitor of Transporter	\$ 175	40	\$ 7,000
Boarding Kennel	\$ 175	180	\$ 31,500
Commercial Kennel	\$ 175	649	\$ 113,575
Pet Shop	\$ 175	181	\$ 31,675
Public Auction	\$ 175	1	\$ 175
Total State License or Permit Fees			\$ 315,000
Total Fee Revenue			\$ 335,100

- The Department estimates expenditures of \$328,000 and 5.00 FTEs to implement the Bill for FY 2011. The second year estimate includes a 7.0% increase for salary and benefit costs with total expenditures estimated at \$281,000. The following chart details the expenditures:

HF 2280 Assumptions	FY 2011	FY 2012
Inspector -- 2.00 FTEs	\$ 85,000	\$ 90,000
Compliance Investigator -- 1.00 FTE	59,000	63,000
Office Staff -- 2.00 FTEs	84,000	90,000
Total Staff -- 5.00 FTEs	\$ 228,000	\$ 243,000
Cars -- 3	\$ 51,000	\$ 0
Computer equipment field	8,000	0
Computer equipment office	3,000	0
Other Support	34,000	34,000
Educational meetings	4,000	4,000
	\$ 100,000	\$ 38,000
Total Expenditures	\$ 328,000	\$ 281,000

Summary of Impacts

Correctional Impact and Fiscal Impact

The correctional impact of HF 2280 is expected to be minimal.

Fee revenue is estimated at \$335,000 for FY 2011 and each year after. Expenditures are estimated at \$328,000 and 5.00 FTEs for FY 2011 and \$281,000 for FY 2012. The following summarizes the expenditures:

HF 2280 Estimate		
	FY 2011	FY 2012
Revenue		
Fee Revenue	\$ 335,000	\$335,000
Total Revenue	\$ 335,000	\$335,000
Expenditures		
Salaries	\$ 228,000	\$ 243,000
Support	34,000	34,000
Computers	11,000	0
Educational Meetings	4,000	4,000
Cars	51,000	0
Total Expenditures	\$ 328,000	\$281,000
Net Impact	\$ 7,000	\$ 54,000
FTE Positions	5.00	5.00

Sources

Department of Agriculture and Land Stewardship
Criminal and Juvenile Justice Planning Division, Department of Human Rights
Legislative Services Agency

The fiscal note for this bill was prepared pursuant to [Joint Rule 17](#) and the correctional and minority impact statements were prepared pursuant to [Section 2.56](#), [Code of Iowa](#). Data used in developing this fiscal note, including correctional and minority impact information, is available from the Fiscal Services Division of the Legislative Services Agency upon request.
